

Washington State Auditor's Office

Audit Report

Audit Services

Report No. 58101

BEACON HILL SEWER DISTRICT

Cowlitz County, Washington

January 1, 1994 Through December 31, 1995

Issue Date: March 14, 1997

TABLE OF CONTENTS

	Page
Management Section	
Independent Auditor's Report On Compliance With State Laws And Regulations .	M-1
Financial Section	
Independent Auditor's Report On Financial Statements And Additional Information	F-1
Financial Statements:	
Comparative Balance Sheet - 1995 And 1994	F-2
Comparative Balance Sheet - 1994 And 1993	F-4
Comparative Statement Of Revenues, Expenses And Changes In Equity - 1995 And 1994	F-6
Comparative Statement Of Revenues, Expenses And Changes In Equity - 1994 And 1993	F-8
Comparative Statement Of Cash Flows - 1995 And 1994	F-10
Comparative Statement Of Cash Flows - 1994 And 1993	F-12
Notes To Financial Statements	F-14
Additional Information:	
Schedule Of State Financial Assistance - 1995	F-23
Schedule Of State Financial Assistance - 1994	F-24
Notes To Schedule Of State Financial Assistance	F-25
Addendum	
Directory Of Officials	A-1

BEACON HILL SEWER DISTRICT
Cowlitz County, Washington
January 1, 1994 Through December 31, 1995

**Independent Auditor's Report On Compliance With State
Laws And Regulations**

Board of Commissioners
Beacon Hill Sewer District
Kelso, Washington

We have audited the financial statements, as listed in the table of contents, of the Beacon Hill Sewer District, Cowlitz County, Washington, as of and for the fiscal years ended December 31, 1995 and 1994, and have issued our report thereon dated December 20, 1996.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the district complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the district's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance, or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the district and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the district complied, in all material respects, with the applicable laws and regulations referred to in the preceding paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the district had not complied, in all material respects, with those provisions.

This report is intended for the information of management and the board of commissioners and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Brian Sonntag, CGFM
State Auditor

December 20, 1996

BEACON HILL SEWER DISTRICT
Cowlitz County, Washington
January 1, 1994 Through December 31, 1995

**Independent Auditor's Report On Financial Statements And Additional
Information**

Board of Commissioners
Beacon Hill Sewer District
Kelso, Washington

We have audited the accompanying financial statements of the Beacon Hill Sewer District, Cowlitz County, Washington, as of and for the fiscal years ended December 31, 1995 and 1994, as listed in the table of contents. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Beacon Hill Sewer District at December 31, 1995 and 1994, and the results of its operations and cash flows for the fiscal years then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of State Financial Assistance are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Brian Sonntag, CGFM
State Auditor

December 20, 1996